

Limited Review Report

**Review Report to
The Board of Directors
CEAT Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of CEAT Group, comprising CEAT Limited ('the Company') and its subsidiaries and its subsidiary's joint ventures (together, 'the Group'), for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review revenues for the quarter and year to date and assets aggregating ₹ 1,661 lacs, ₹ 3,409 lacs and ₹ 13,052 lacs respectively relating to three subsidiaries and the Group's share in net profit of joint ventures for the quarter and year to date aggregating ₹ 842 lacs and ₹ 1,867 lacs relating to five joint ventures, included in the accompanying unaudited consolidated financial results, whose financial information have been reviewed by the other auditors and whose reports have been furnished to us. Our conclusion on the unaudited quarterly financial results, in so far as it relates to such subsidiaries and joint ventures is based solely on the reports of the other auditors.
4. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per Vinayak Fudare
Partner
Membership No.: 101143



Place: Mumbai
Date: November 07, 2016

CEAT CEAT LIMITED

CIN : L25100MH1958PLC011041


Registered Office

RPG House, 463, Dr. Annie Besant Road, Mumbai 400 030.

Statement of Consolidated unaudited financial results for the quarter and half year ended September 30, 2016

(₹ In Lacs)

Particulars	Consolidated				
	Quarter ended			Half year ended	
	30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited
1 Income from operations					
a) Gross Sales	1,58,747	1,63,683	1,50,975	3,22,430	3,07,903
b) Other Operating Income	916	934	933	1,850	1,985
Total Income from operations	1,59,663	1,64,617	1,51,908	3,24,280	3,09,888
2 Expenses					
a) Cost of materials consumed	83,138	77,257	77,599	1,60,395	1,50,994
b) Purchases of stock-in-trade	4,355	4,476	2,805	8,831	5,524
c) Changes in inventories of finished goods, work-in-progress and stock-in trade	(5,624)	1,873	(4,737)	(3,751)	716
d) Employee benefits expenses	10,016	9,588	10,208	19,604	19,852
e) Depreciation and amortisation expenses	3,172	3,022	2,281	6,194	4,630
f) Excise duty	16,883	17,591	16,739	34,474	33,252
g) Other expenditure	32,358	35,294	30,967	67,652	59,681
Total expenses	1,44,298	1,49,101	1,35,862	2,93,399	2,74,649
3 Profit from operations before other income, finance cost & exceptional items (1-2)	15,365	15,516	16,046	30,881	35,239
4 Other Income	367	566	774	933	1,584
5 Profit from ordinary activities before finance cost and exceptional items (3+4)	15,732	16,082	16,820	31,814	36,823
6 Finance costs	1,622	2,522	2,233	4,144	4,874
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	14,110	13,560	14,587	27,670	31,949
8 Exceptional items (Refer note 4)		87	105	87	105
9 Profit from ordinary activities before tax (7-8)	14,110	13,647	14,692	27,757	32,054
10 Tax Expenses	4,301	4,166	4,863	8,467	10,960
11 Net Profit for the period (9-10)	9,809	9,481	9,829	19,290	21,094
12 Share of profit/(loss) from joint venture	842	1,025	873	1,867	1,728
13 Non-controlling Interest	(41)	(74)	(36)	(115)	(91)
14 Net profit after taxes, non-controlling Interest and share of profit/(loss) from joint venture	10,650	10,432	10,666	21,042	22,731
15 Other comprehensive Income (net of tax)	(503)	107	284	(396)	256
16 Total Comprehensive Income (after tax) (14+15)	10,147	10,539	10,950	20,646	22,987
17 Paid-up equity share capital (Face value of the Share (₹ 10 each))	4,045	4,045	4,045	4,045	4,045
18 Earnings per share (of ₹ 10 each) (not annualised)					
a) Basic	26.33	25.54	25.94	51.87	55.90
b) Diluted	26.33	25.54	25.94	51.87	55.90

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CEAT LIMITED

Statement of Consolidated Assets and Liabilities as at September 30, 2016

(₹ In Lacs)

Particulars	As at September 30, 2016
Assets	
Non-current assets	
Property, plant and equipment	2,04,965
Capital work-in-progress	39,632
Intangible assets	5,699
Intangible assets under development	1,220
Financial assets	
Investments	17,216
Loans	638
Others	254
Prepayments	6
Other non-current assets	7,456
Non-current tax asset (Net)	6,698
Total Non-current assets	2,83,784
Current assets	
Inventories	75,769
Financial assets	
Investments	8,932
Trade receivables	62,776
Cash and cash equivalents	2,155
Bank balances other than above	5,063
Loans	1,523
Others	576
Prepayments	980
Other current assets	10,463
Total Current assets	1,68,237
Total assets	4,52,021
Equity and liabilities	
Equity	
Equity share capital	4,045
Other equity	2,21,188
Total equity	2,25,233
Non-controlling interest	3,125
Non-current liabilities	
Financial liabilities	
Borrowings	67,152
Other financial liabilities	841
Provisions	3,155
Deferred tax liabilities (net)	17,312
Other non-current liabilities	1,173
Total non-current liabilities	89,633
Current liabilities	
Financial liabilities	
Borrowings	9,375
Trade payables	67,318
Other financial liabilities	41,256
Other current liabilities	5,471
Provisions	5,012
Current tax liabilities (net)	5,598
Total current liabilities	1,34,030
Total equity and liabilities	4,52,021

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Notes:

1. The Company adopted Indian Accounting Standards ("Ind AS") and accordingly the financial results for all periods presented have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The date of transition to Ind AS is April 1, 2015. There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by Ministry of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
2. The consolidated financial results of the company include the financial results of its subsidiaries and joint venture. The subsidiaries are consolidated line by line adding together the line items of assets, liabilities, income and expenses, after eliminating the intra group transactions and balances. The company's investment in joint venture in Sri Lanka is accounted using the equity method, which hitherto, under the erstwhile Indian Generally Accepted Accounting Principles, was consolidated using proportionate consolidation method.
3. The above results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 7, 2016.
4. Exceptional item for the quarter ended June 30, 2016 and for the quarter and half year ended September 30, 2015:

The Company had introduced a Voluntary Retirement Scheme (VRS) for its employees. The compensation in respect of employees who opted for VRS aggregated to ₹ 86.74 Lacs for quarter ended June 30, 2016 and ₹ 104.52 Lacs for quarter and half year ended September 30, 2015 which has been disclosed as an exceptional item.

5. Reconciliation between financial results previously reported (referred to 'Previous GAAP') and Ind AS are as under:

		(₹ in lacs)	
Particulars	For the quarter ended September 30, 2015	For the half year ended September 30, 2015	
Net profit under previous GAAP (after tax)	10,740	22,841	
i. Actuarial loss on employee defined benefit plan recognized in "Other Comprehensive Income" as per Ind AS 19	(502)	(252)	
ii. Discounting /Unwinding of liability/provision	19	37	
iii. Others	81	45	
iv. Deferred tax on above adjustments (net)	190	32	
Net profit under Ind AS (after tax)	10,528	22,703	
Other comprehensive income	284	256	
Total comprehensive income	10,812	22,959	

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6. As the Company's business activity falls within a single operating segment, viz. "Tyres", no separate segment is disclosed.

7. Additional disclosures as per regulation 52(4) of Securities Exchange Board of India (Listing, Obligations and Disclosure Requirements) Regulations, 2015:

- i. The long term rating of the company was enhanced by CARE from AA- to AA during the quarter.
- ii. The listed non-convertible debentures of the company aggregating ₹ 20,000 lacs are secured by way of first charge over certain immovable properties and movable (excluding current assets) assets of the Company and the asset cover thereof exceeds 120 per cent of the principal amount of the said debentures.
- iii. The payment of the coupon interest on non-convertible debentures is at monthly rests on the last working day of each month. The maturity/ repayment of the first series is on July 31, 2019 of ₹ 1,000 lacs. The last interest was paid on September 30, 2016 and the next due date for payment of interest amounting to ₹ 157.54 lacs is October 31, 2016.

iv. Other disclosures:

Particulars	As at September 30, 2016
Capital Redemption Reserve	₹ 390 lacs
Debenture Redemption Reserve	₹ 2,501 lacs
Net worth	₹ 2,25,233 lacs
Net Profit after tax , before non-controlling interest and after share of profit from joint venture (for half year ended September 30, 2016)	₹ 20,983 lacs
Earnings per share for half year ended September 30, 2016 (of ₹ 10 each – not annualized)	₹ 51.87
Debt Equity Ratio	0.34
Debt Service Coverage Ratio('DSCR')	2.27
Interest Service Coverage Ratio('ISCR')	6.78

- a) $DSCR = \frac{\text{Earnings before interest cost, Tax expenses and exceptional items} + \text{share of profit from joint venture}}{\text{Total finance cost} + \text{short term borrowings} + \text{current maturities of long term borrowings}}$
- b) $ISCR = \frac{\text{Earnings before interest cost, Tax expenses and exceptional items} + \text{share of profit from joint venture}}{\text{Total Finance cost}}$
- c) Debt comprises long term borrowings, short term borrowings and current maturities of long term borrowings
- d) Net Worth = Equity share capital + Other equity

8. The figures have been regrouped / rearranged wherever considered necessary to conform to current period classification and grouping.

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9. The standalone financial results are available at company's website viz, www.ceat.com and on website of BSE (www.bseindia.com) and NSE (www.nseindia.com). Key standalone financial information is given below:

Particulars	Quarter ended 30- Sep- 2016	Quarter ended 30-Jun- 2016	Quarter ended 30- Sep- 2015	Half year ended 30- Sep- 2016	Half year ended 30- Sep- 2015
Total income from operation (Gross)	1,58,265	1,63,172	1,51,481	3,21,437	3,08,858
Profit before tax	14,360	13,697	16,062	28,057	33,963
Profit after tax	10,182	9,649	11,223	19,831	23,163

Place: Mumbai
Date: November 7, 2016



By order of the Board

Ajant Vardhan Goenka
Ajant Vardhan Goenka
Managing Director

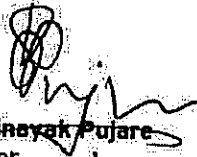


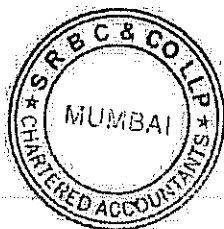
Limited Review Report

**Review Report to
The Board of Directors
CEAT Limited**

1. We have reviewed the accompanying statement of unaudited financial results of CEAT Limited ('the Company') for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per **Vinayak Pujare**
Partner
Membership No.: 101143



Place: Mumbai
Date: November 7, 2016

CEAT CEAT LIMITED

CIN : L25100MH1958PLC011041

Registered Office

RPG House, 463, Dr. Annie Besant Road, Mumbai 400 030.

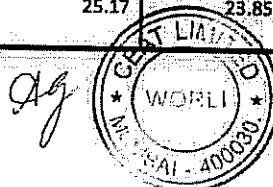
Statement of Standalone unaudited financial results for the quarter and half year ended September 30, 2016

(₹ In Lacs)

Particulars	Standalone				
	Quarter ended			Half year ended	
	30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited
1 Income from Operations					
a) Gross Sales	1,57,351	1,62,254	1,50,646	3,19,605	3,06,874
b) Other Operating Income	914	918	835	1,832	1,984
Total Income from operations	1,58,265	1,63,172	1,51,481	3,21,437	3,08,858
2 Expenses					
a) Cost of materials consumed	83,138	77,257	77,599	1,60,395	1,50,994
b) Purchases of stock-in-trade	3,744	4,052	2,623	7,796	5,141
c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(5,253)	2,049	(4,314)	(3,204)	926
d) Employee benefits expenses	9,480	9,043	9,703	18,523	18,903
e) Depreciation and amortisation expenses	3,144	2,996	2,280	6,140	4,591
f) Excise duty	16,883	17,591	16,739	34,474	33,252
g) Other expenditure	31,739	34,635	30,559	66,374	59,049
Total expenses	1,42,875	1,47,623	1,35,189	2,90,498	2,72,856
3 Profit from operations before other Income, finance cost & exceptional items (1-2)	15,390	15,549	16,292	30,939	36,002
4 Other Income	529	689	2,104	1,218	2,917
5 Profit from ordinary activities before finance cost and exceptional items (3+4)	15,919	16,238	18,396	32,157	38,919
6 Finance costs	1,559	2,454	2,229	4,013	4,851
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	14,360	13,784	16,167	28,144	34,068
8 Exceptional items (Refer note 3)		87	105	87	105
9 Profit from ordinary activities before tax (7-8)	14,360	13,697	16,062	28,057	33,963
10 Tax Expenses	4,178	4,048	4,839	8,226	10,800
11 Net Profit for the period (9-10)	10,182	9,649	11,223	19,831	23,163
12 Other comprehensive income (net of tax)	(393)	(6)	87	(399)	(55)
13 Total Comprehensive Income (after tax)(11+12)	9,789	9,643	11,310	19,432	23,108
14 Paid-up equity share capital (Face value of the Share - ₹ 10 each)	4,045	4,045	4,045	4,045	4,045
15 Earnings Per Share (of ₹ 10 each) (not annualised)					
	25.17	23.85	27.75	49.03	57.26
	25.17	23.85	27.75	49.03	57.26

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CEAT LIMITED

Statement of Standalone Assets and Liabilities as at September 30, 2016
(₹ in Lacs)

Particulars	As at September 30,2016
Assets	
Non-current assets	
Property, Plant and Equipment	2,00,668
Capital work-in-progress	26,629
Intangible assets	5,573
Intangible assets under development	1,056
Financial assets	
Investments	19,439
Loans	392
Others	213
Deferred tax assets	-
Other non-current assets	3,436
Non Current tax assets(net)	6,666
Total Non-current assets	2,64,072
Current assets	
Inventories	73,167
Financial assets	
Investments	7,951
Trade receivables	60,824
Cash and cash equivalents	1,814
Bank balances other than above	3,600
Loans	6,315
Others	705
Prepayments	873
Other current assets	10,075
Total Current assets	1,65,324
Total assets	4,29,396
Equity and Liabilities	
Equity	
Equity share capital	4,045
Other equity	2,09,084
Total equity	2,13,129
Non-current liabilities	
Financial Liabilities	
Borrowings	64,727
Other financial liabilities	841
Provisions	2,954
Deferred tax liability (net)	16,208
Other non-current liabilities	1,173
Total non-current liabilities	85,903
Current liabilities	
Financial Liabilities	
Borrowings	8,795
Trade payables	66,247
Other financial liabilities	39,845
Other current liabilities	5,258
Provisions	4,995
Current Tax Liabilities(net)	5,224
Total current liabilities	1,30,364
Total equity and liabilities	4,29,396

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Notes:


1. The Company adopted Indian Accounting Standards ("Ind AS") and accordingly the financial results for all periods presented have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The date of transition to Ind AS is April 1, 2015. There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by Ministry of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
2. The above results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 7, 2016.
3. Exceptional Item for the quarter ended June 30, 2016 and for the quarter and half year ended September 30, 2015:

The Company had introduced a Voluntary Retirement Scheme (VRS) for its employees. The compensation in respect of employees who opted for VRS aggregated to ₹ 86.74 Lacs for quarter ended June 30, 2016 and ₹ 104.52 Lacs for quarter and half year ended September 30, 2015 which has been disclosed as an exceptional item.

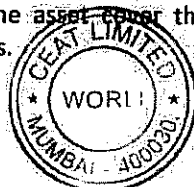
4. Reconciliation between financial results previously reported (referred to 'Previous GAAP') and Ind AS are as under:

		(₹ in lacs)	
Particulars	For the quarter ended September 30, 2015	For the half year ended September 30, 2015	
Net profit under previous GAAP (after tax)	11,493	23,270	
i. Actuarial loss on employee defined benefit plan recognized in "Other Comprehensive Income" as per Ind AS 19	(507)	(259)	
ii. Discounting /Unwinding of liability/provision	19	37	
iii. Others	54	36	
iv. Deferred tax on above adjustments (net)	164	79	
Net profit under Ind AS (after tax)	11,223	23,163	
Other comprehensive income	87	(55)	
Total comprehensive income	11,310	23,108	

5. As the Company's business activity falls within a single operating segment, viz. "Tyres", no separate segment is disclosed.
6. Additional disclosures as per regulation 52(4) of Securities Exchange Board of India (Listing, Obligations and Disclosure Requirements) Regulations, 2015:
 - i. The long term rating of the company was enhanced by CARE from AA- to AA during the quarter.
 - ii. The listed non-convertible debentures of the company aggregating ₹ 20,000 lacs are secured by way of first charge over certain immovable properties and movable (excluding current assets) assets of the Company and the asset cover thereof exceeds 120 per cent of the principal amount of the said debentures.

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BY

SRBC & CO LLP
MUMBAI





iii. The payment of the coupon interest on non-convertible debentures is at monthly rests on the last working day of each month. The maturity/ repayment of the first series is on July 31, 2019 of ₹ 1,000 lacs. The last interest was paid on September 30, 2016 and the next due date for payment of interest amounting to ₹ 157.54 lacs is October 31, 2016.

iv. Other disclosures:

Particulars	As at September 30,2016
Capital Redemption Reserve	₹ 390 lacs
Debenture Redemption Reserve	₹ 2,501 lacs
Net worth	₹ 2,13,129 lacs
Net Profit after tax(for half year ended September 30,2016)	₹ 19,831 lacs
Earnings Per Share for half year ended September 30 , 2016 (of ₹ 10 each – not annualized)	₹ 49.03
Debt Equity Ratio	0.35
Debt Service Coverage Ratio('DSCR')	2.27
Interest Service Coverage Ratio('ISCR')	6.65

- a) DSCR = Earnings before Interest cost, Tax expenses and exceptional items /(Total Finance cost+ short term borrowings + current maturities of long term borrowings)
- b) ISCR = Earnings before Interest cost, Tax expenses and exceptional items / Total Finance cost
- c) Debt comprises long term borrowings, short term borrowings and current maturities of long term borrowings
- d) Net Worth = Equity share capital + Other equity

7. The figures have been regrouped / rearranged wherever considered necessary to conform to current period classification and grouping.

Place: Mumbai
Date: November 7, 2016



By order of the Board

Anant Vardhan Goenka
Anant Vardhan Goenka
Managing Director

